

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Hospitals

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, question 20.**

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2017

Open to Public Inspection

FRANCES MAHON DEACONESS HOSPITAL

Employer identification number

81-0231786

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>140</u> %	<input checked="" type="checkbox"/>	
b Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>240</u> %	<input checked="" type="checkbox"/>	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<input checked="" type="checkbox"/>	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		<input checked="" type="checkbox"/>
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Did the organization prepare a community benefit report during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization make it available to the public?	<input checked="" type="checkbox"/>	

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			137,157		137,157	0.47
b Medicaid (from Worksheet 3, column a)					0	0.00
c Costs of other means-tested government programs (from Worksheet 3, column b)					0	0.00
d Total Financial Assistance and Means-Tested Government Programs			137,157		137,157	0.47
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			3,140		3,140	0.01
f Health professions education (from Worksheet 5)						0.00
g Subsidized health services (from Worksheet 6)			4,425,444	2,802,803	1,622,641	5.60
h Research (from Worksheet 7)					0	0.00
i Cash and in-kind contributions for community benefit (from Worksheet 8)			29,219		29,219	0.10
j Total. Other Benefits			4,457,803	2,802,803	1,655,000	5.71
k Total. Add lines 7d and 7j			4,594,960	2,802,803	1,792,157	6.18

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing					0	0.00
2 Economic development					0	0.00
3 Community support					0	0.00
4 Environmental improvements					0	0.00
5 Leadership development and training for community members					0	0.00
6 Coalition building					0	0.00
7 Community health improvement advocacy					0	0.00
8 Workforce development					0	0.00
9 Other					0	0.00
10 Total					0	0.00

Part III Bad Debt, Medicare, & Collection Practices

		Yes	No
Section A. Bad Debt Expense			
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	X	
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount		
			847,854
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.		
Section B. Medicare			
5	Enter total revenue received from Medicare (including DSH and IME)		11,718,973
6	Enter Medicare allowable costs of care relating to payments on line 5		11,785,985
7	Subtract line 6 from line 5. This is the surplus (or shortfall)		-67,012
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input checked="" type="checkbox"/> Other		
Section C. Collection Practices			
9a	Did the organization have a written debt collection policy during the tax year?	X	
9b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	X	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest—see instructions)
 How many hospital facilities did the organization operate during the tax year? 1

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

Other (describe)	ER<other	ER-24 hours	Research facility	Critical access hospital	Teaching hospital	Children's hospital	General medical & surgical	Licensed hospital	Facility reporting group
<p>1 FRANCES MAHON DEACONESS HOSPITAL</p> <hr/> <p>621 3RD ST S</p> <p>GLASGOW MT 59230</p> <p>WWW.FMDH.ORG</p>				X			X	X	

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group **FRANCES MAHON DEACONESS HOSPITAL**

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): **1**

Community Health Needs Assessment

- 1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? 1
- 2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C 2
- 3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 3
If "Yes," indicate what the CHNA report describes (check all that apply):
 - a A definition of the community served by the hospital facility
 - b Demographics of the community
 - c Existing health care facilities and resources within the community that are available to respond to the health needs of the community
 - d How data was obtained
 - e The significant health needs of the community
 - f Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups
 - g The process for identifying and prioritizing community health needs and services to meet the community health needs
 - h The process for consulting with persons representing the community's interests
 - i The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)
 - j Other (describe in Section C)
- 4 Indicate the tax year the hospital facility last conducted a CHNA: **15**
- 5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted 5
- 6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C 6a
- 6b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C 6b
- 7 Did the hospital facility make its CHNA report widely available to the public? 7
If "Yes," indicate how the CHNA report was made widely available (check all that apply):
 - a Hospital facility's website (list url): **WWW.FMDH.ORG**
 - b Other website (list url):
 - c Made a paper copy available for public inspection without charge at the hospital facility
 - d Other (describe in Section C)
- 8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 8
- 9 Indicate the tax year the hospital facility last adopted an implementation strategy: **15**
- 10 Is the hospital facility's most recently adopted implementation strategy posted on a website? 10
 - a If "Yes," (list url): **WWW.FMDH.ORG**
 - b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? 10b
- 11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.
- 12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? 12a
- 12b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax? 12b
- c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? **\$**

	Yes	No
1		X
2		X
3	X	
5	X	
6a		X
6b	X	
7	X	
8	X	
10	X	
10b		X
12a		X
12b		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group **FRANCES MAHON DEACONESS HOSPITAL**

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:			
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care <u>140</u> % and FPG family income limit for eligibility for discounted care of <u>240</u> %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input checked="" type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input checked="" type="checkbox"/> Insurance status		
f	<input checked="" type="checkbox"/> Underinsurance status		
g	<input type="checkbox"/> Residency		
h	<input type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):			
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>WWW.FMDH.ORG</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>WWW.FMDH.ORG</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>WWW.FMDH.ORG</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations		
j	<input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group **FRANCES MAHON DEACONESS HOSPITAL**

- 17** Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?
- 18** Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:
 - a** Reporting to credit agency(ies)
 - b** Selling an individual's debt to another party
 - c** Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP
 - d** Actions that require a legal or judicial process
 - e** Other similar actions (describe in Section C)
 - f** None of these actions or other similar actions were permitted
- 19** Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?
If "Yes," check all actions in which the hospital facility or a third party engaged:
 - a** Reporting to credit agency(ies)
 - b** Selling an individual's debt to another party
 - c** Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP
 - d** Actions that require a legal or judicial process
 - e** Other similar actions (describe in Section C)
- 20** Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):
 - a** Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs
 - b** Made a reasonable effort to orally notify individuals about the FAP and FAP application process
 - c** Processed incomplete and complete FAP applications
 - d** Made presumptive eligibility determinations
 - e** Other (describe in Section C)
 - f** None of these efforts were made

	Yes	No
17	X	
19		X

Policy Relating to Emergency Medical Care

- 21** Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?
- If "No," indicate why:
 - a** The hospital facility did not provide care for any emergency medical conditions
 - b** The hospital facility's policy was not in writing
 - c** The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)
 - d** Other (describe in Section C)

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

Name of hospital facility or letter of facility reporting group **FRANCES MAHON DEACONESS HOSPITAL**

22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- a The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
- b The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- c The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- d The hospital facility used a prospective Medicare or Medicaid method

23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?

If "Yes," explain in Section C.

24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?

If "Yes," explain in Section C.

	Yes	No
23		X
24	X	

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Facility 1, FRANCES MAHON DEACONESS HOSPITAL - Part V, Line 3e

THE SIGNIFICANT HEALTH NEEDS ARE A PRIORITIZED DESCRIPTION OF THE SIGNIFICANT HEALTH NEEDS OF THE COMMUNITY AND ARE IDENTIFIED THROUGH THE CHNA.

Facility 1, FRANCES MAHON DEACONESS HOSPITAL - Part V, Line 5

TO SOLICIT INPUT FROM INDIVIDUALS WHO HAVE A BROAD INTEREST IN THE HEALTH OF THE COMMUNITY, AN ONLINE KEY INFORMANT SURVEY WAS IMPLEMENTED AS PART OF THE CHNA PROCESS AND SENT TO A LIST OF RECOMMENDED PARTICIPANTS INCLUDING PHYSICIANS, PUBLIC HEALTH REPRESENTATIVES, OTHER HEALTH PROFESSIONALS, SOCIAL SERVICE PROVIDERS AND A VARIETY OF OTHER COMMUNITY LEADERS. ALSO, INPUT WAS GATHERED FROM SEVERAL INDIVIDUALS WHOSE ORGANIZATIONS WORK WITH LOW-INCOME, MINORITY, AND OTHER MEDICALLY UNDERSERVED POPULATIONS. POTENTIAL PARTICIPANTS WERE CHOSEN BECAUSE OF THEIR ABILITY TO IDENTIFY PRIMARY CONCERNS OF THE POPULATIONS WITH WHOM THEY WORK, AS WELL AS OF THE COMMUNITY OVERALL. THE PARTICIPANTS WERE CONTACTED BY EMAIL, INTRODUCING THE PURPOSE OF THE SURVEY AND PROVIDING A LINK TO TAKE THE SURVEY ONLINE. IN ALL, 63 COMMUNITY STAKEHOLDERS TOOK PART IN THE ONLINE KEY INFORMANT SURVEY. THE INPUT WAS GATHERED BY PROFESSIONAL RESEARCH CONSULTANTS, INC. ON BEHALF OF FRANCES MAHON DEACONESS HOSPITAL IN THE SPRING OF 2016.

Facility 1, FRANCES MAHON DEACONESS HOSPITAL - Part V, Line 6b

VALLEY COUNTY PUBLIC HEALTH DEPARTMENT

Facility 1, FRANCES MAHON DEACONESS HOSPITAL - Part V, Line 11

AS REQUIRED BY THE IRS IMPLEMENTING REGULATIONS, FMDH PRIORITIZED THE

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

IDENTIFIED NEEDS TO IDENTIFY THOSE NEEDS THAT IT COULD EFFICACIOUSLY ADDRESS GIVEN THE RESOURCE LIMITATIONS INHERENT IN A SMALL RURAL HOSPITAL OPERATION. THE ONLINE KEY INFORMANT SURVEY PRESENTED THE STAKEHOLDERS WITH 20 HEALTH TOPICS AND WERE ASKED TO RATE EACH AS A MAJOR PROBLEM, MODERATE PROBLEM, MINOR PROBLEM, OR NOT A PROBLEM AT ALL IN THEIR OWN COMMUNITY. FOR MAJOR PROBLEM RESPONSES, THE FOLLOWING WERE RANKED AS TOP CONCERNS FOR THE FRANCES MAHON DEACONESS HOSPITAL SERVICE AREA: MENTAL HEALTH, TOBACCO USE, SUBSTANCE ABUSE, AND CANCER.

THROUGH A MEETING WITH INTERNAL AND EXTERNAL STAKEHOLDERS, PRIORITIZATION WAS ACCOMPLISHED USING A PRIORITIZATION EXERCISE THAT SCORED THE SCOPE & SEVERITY OF THE PROBLEM BY CONSIDERATION OF THREE FACTORS AND ABILITY TO IMPACT, BOTH RATED ON A SCALE OF 1 TO 10 FROM LEAST SEVERE TO MOST SEVERE. BASED ON THE SEVERITY OF THE RATINGS, FRANCES MAHON DEACONESS HOSPITAL CHOSE TO PRIORITIZE THE FOLLOWING TOP HEALTH NEEDS OF THE COMMUNITY TO ADDRESS IN ITS IMPLEMENTATION STRATEGY IN THE COMING YEARS: HEART DISEASE & STROKE, NUTRITION, PHYSICAL ACTIVITY & WEIGHT, AND MENTAL HEALTH.

FMDH IS ADDRESSING THE PRIORITIZED HEALTH NEEDS BY THREE OVERALL GOALS:

THE FIRST GOAL IS TO IMPROVE CARDIOVASCULAR HEALTH BY IMPLEMENTING AND SUPPORTING EVIDENCE BASED APPROACHES TO IMPACT BEHAVIORS AFFECTING CARDIOVASCULAR HEALTH. ONE STRATEGY FOR ADDRESSING THIS GOAL IS TO BUILD AWARENESS OF OPPORTUNITIES IN THE COUNTY TO PARTICIPATE IN COMMUNITY FITNESS PROGRAMS BY DEVELOPING AND PROMOTING A COMMUNITY FITNESS RESOURCES

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

LIST.

THE SECOND GOAL IS TO IMPROVE THE HEALTH OF OUR COMMUNITY BY IMPLEMENTING AND SUPPORTING EVIDENCE BASED APPROACHES TO IMPACT BEHAVIORS RELATED TO NUTRITION, WEIGHT AND PHYSICAL ACTIVITY THEREBY HAVING A POSITIVE IMPACT ON A MULTITUDE OF HEALTH CONDITIONS. A STRATEGY FOR ADDRESSING THIS GOAL IS TO HAVE A FOCUSED PUBLIC AWARENESS CAMPAIGN ON FITNESS AND EXERCISE SUCH AS COMMUNICATING EXCLUSIVELY ABOUT EXERCISE AND FITNESS IN AT LEAST 75% OF ALL COMMUNICATION FOR 12 MONTHS.

THE THIRD GOAL IS TO UTILIZE EVIDENCE BASED TACTICS TO ADDRESS BARRIERS TO ACCESSING MENTAL HEALTH SERVICES BY AUGMENTING THE RANGE AND ACCESSIBILITY OF MENTAL/BEHAVIORAL HEALTH SERVICES. A STRATEGY FOR ADDRESSING THIS GOAL IS TO ADVOCATE FOR MENTAL HEALTH LEGISLATION BY FOCUSING ADVOCACY EFFORTS ON LEGISLATION THAT INCREASES FUNDING FOR AND AVAILABILITY OF MENTAL/BEHAVIORAL HEALTH SERVICES.

ADDITIONAL STRATEGIES TO ACCOMPLISH THE THREE GOALS ARE IDENTIFIED IN THE IMPLEMENTATION STRATEGY.

NINE ADDITIONAL SIGNIFICANT HEALTH NEEDS THAT EMERGED FROM THIS COMMUNITY HEALTH NEEDS ASSESSMENT ARE OUTLINED BELOW. THESE NEEDS WILL NOT BE SPECIFICALLY ADDRESSED IN THE IMPLEMENTATION STRATEGY, ALTHOUGH SOME MAY BE ADDRESSED IN SOME WAY THROUGH PROGRAMS TARGETING THE TOP HEALTH NEEDS WHICH WILL BE ADDRESSED.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

1. SUBSTANCE ABUSE - FMDH HAS LIMITED RESOURCES, SERVICES AND EXPERTISE AVAILABLE TO ADDRESS ALCOHOL, TOBACCO AND OTHER DRUG ISSUES. OTHER COMMUNITY ORGANIZATIONS HAVE INFRASTRUCTURE AND PROGRAMS IN PLACE TO BETTER MEET THIS NEED. FMDH FEELS THAT EFFORTS OUTLINED HEREIN TO IMPROVE MENTAL HEALTH WILL HAVE A POSITIVE IMPACT ON THE COMMUNITY'S SUBSTANCE ABUSE, AND THAT A SEPARATE SET OF SUBSTANCE ABUSE INITIATIVES WAS NOT NECESSARY GIVEN LIMITED RESOURCES.

2. TOBACCO USE - FMDH HAS LIMITED RESOURCES, SERVICES AND EXPERTISE AVAILABLE TO ADDRESS ALCOHOL, TOBACCO AND OTHER DRUG ISSUES. OTHER COMMUNITY ORGANIZATIONS HAVE INFRASTRUCTURE AND PROGRAMS IN PLACE TO BETTER MEET THIS NEED. FMDH FEELS THAT EFFORTS OUTLINED HEREIN TO IMPROVE CARDIOVASCULAR HEALTH WILL HAVE A POSITIVE IMPACT ON THE COMMUNITY'S TOBACCO USE, AND THAT A SEPARATE SET OF TOBACCO INITIATIVES WAS NOT NECESSARY GIVEN LIMITED RESOURCES. WHILE THIS NEED WAS NOT SCHEDULED TO BE ADDRESSED, IN 2018, FMDH EXECUTED A TOBACCO CESSATION MASS MARKETING PLAN TO RAISE AWARENESS OF THE RISKS ASSOCIATED WITH TOBACCO AS WELL AS OPPORTUNITIES WITHIN OUR COMMUNITY TO QUIT. WE RAN WEEKLY AND MONTHLY ADS IN OUR LOCAL PUBLICATIONS, SPONSORED A 'SMOKE FREE' MOVIE NIGHT TARGETING HIGH SCHOOL YOUTH, SPONSORED ANTI-TOBACCO T-SHIRTS FOR HIGH SCHOOL YOUTH, AND RAN A RADIO MEDIA CAMPAIGN, SOCIAL MEDIA CAMPAIGN AND A BILLBOARD CAMPAIGN TARGETING ADULTS. FMDH ALSO SPONSORED RED THUMB DAY, A COMMUNITY EVENT RAISING AWARENESS OF UNHEALTHY BEHAVIORS AND PARTICIPATING IN THE VALLEY CARE COALITION.

3. CANCER - ADVISORY COMMITTEE MEMBERS FELT THAT MORE PRESSING HEALTH

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

NEEDS EXISTED. LIMITED RESOURCES AND LOWER PRIORITY EXCLUDED THIS AS AN AREA CHOSEN FOR ACTION.

4. IMMUNIZATION & INFECTIOUS DISEASES - ADVISORY COMMITTEE MEMBERS FELT THAT MORE PRESSING HEALTH NEEDS EXISTED. LIMITED RESOURCES AND LOWER PRIORITY EXCLUDED THIS AS AN AREA CHOSEN FOR ACTION.

5. INJURY & VIOLENCE PREVENTION - FMDH BELIEVES THAT THIS PRIORITY AREA FALLS MORE WITHIN THE PURVIEW OF THE COUNTY HEALTH DEPARTMENT AND OTHER COMMUNITY ORGANIZATIONS. LIMITED RESOURCES AND LOWER PRIORITY EXCLUDED THIS AS AN AREA CHOSEN FOR ACTION.

6. INFANT HEALTH & FAMILY PLANNING - FMDH BELIEVES THAT THIS PRIORITY AREA FALLS MORE WITHIN THE PURVIEW OF THE COUNTY HEALTH DEPARTMENT AND OTHER COMMUNITY ORGANIZATIONS. LIMITED RESOURCES AND LOWER PRIORITY EXCLUDED THIS AS AN AREA CHOSEN FOR ACTION.

7. STD HIV/AIDS - FMDH BELIEVES THAT THIS PRIORITY AREA FALLS MORE WITHIN THE PURVIEW OF THE COUNTY HEALTH DEPARTMENT AND OTHER COMMUNITY ORGANIZATIONS. LIMITED RESOURCES AND LOWER PRIORITY EXCLUDED THIS AS AN AREA CHOSEN FOR ACTION.

8. DIABETES - FMDH FEELS THAT EFFORTS OUTLINED HEREIN TO IMPROVE NUTRITION, WEIGHT AND PHYSICAL ACTIVITY WILL HAVE A POSITIVE IMPACT ON THE COMMUNITY'S DIABETIC POPULATION, AND THAT A SEPARATE SET OF DIABETIC-SPECIFIC INITIATIVES WAS NOT NECESSARY GIVEN LIMITED RESOURCES.

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

9. ACCESS TO HEALTH CARE SERVICES - ADVISORY COMMITTEE MEMBERS FELT THAT MORE PRESSING HEALTH NEEDS EXISTED. LIMITED RESOURCES AND LOWER PRIORITY EXCLUDED THIS AS AN AREA CHOSEN FOR ACTION.

IN 2017, FMDH ALSO CO-FOUNDED AN INTERAGENCY COALITION WHOSE PURPOSE IS TO COORDINATE THE EFFORTS OF VARIOUS COMMUNITY HEALTH ORGANIZATIONS. KNOWN AS THE VALLEY CARE COALITION, THE ORGANIZATION EXISTS TO IMPROVE THE HEALTH OF VALLEY COUNTY RESIDENTS BY USING EVIDENCE-BASED TACTICS TO IMPROVE IDENTIFIED NEEDS. THE COALITION FOCUSES ON THREE AREAS: PHYSICAL ACTIVITY AND NUTRITION, SUBSTANCE ABUSE AND MENTAL HEALTH. IN THE PAST YEAR, THE COALITION HAS CONDUCTED SUICIDE PREVENTION TRAINING FOR THE COMMUNITY AND COUNTY EDUCATORS AND PRODUCED A SERIES OF PSAS ON LOCAL RADIO TO REDUCE THE STIGMA SURROUNDING MENTAL HEALTH SERVICES. IN THE AREA OF SUBSTANCE ABUSE, THE COALITION HAS PROMOTED TOBACCO CESSATION, SECURED GRANT FUNDING TO PROVIDE A WASTE DRUG INCINERATOR FOR LOCAL LAW ENFORCEMENT, AND PROVIDED COMMUNITY EDUCATION SURROUNDING THE SAFE DISPOSAL OF SURPLUS PRESCRIPTION NARCOTICS. IN THE AREA OF PHYSICAL ACTIVITY AND NUTRITION, THE COALITION HAS WORKED WITH THE LOCAL FOOD BANK TO RAISE FUNDS AND AWARENESS FOR THEIR EFFORTS AND PROVIDED A COOKING CLASS TO LOW INCOME PARENTS THAT FOCUSED ON USING WHOLE FOODS, FOOD PREP AND CROCK POTS TO CREATE HEALTHY WEEKNIGHT MEALS. THE ATTENDEES WENT HOME WITH A CROCK POT AND THREE FOUR-SERVING MEALS. THE COALITION AND ITS ACTIVITIES SERVED TO ADDRESS THE THREE GOALS SCHEDULED TO BE IMPLEMENTED AS WELL AS ADDRESSED MANY OF THE NEEDS PREVIOUSLY DESIGNATED AS UNABLE TO BE ADDRESSED.

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

Facility 1, FRANCES MAHON DEACONESS HOSPITAL - Part V, Line 24

Some services provided by the hospital are considered elective. Elective services are not eligible for financial assistance thus a person qualifying for a discount for medically necessary services may need to pay full price for elective services.

Part V Facility Information *(continued)***Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? 1

Name and address	Type of Facility (describe)
1 GLASGOW CLINIC PC 621 THIRD STREET SOUTH	
GLASGOW MT 59230	RURAL HEALTH CLINIC

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part I, Line 7g - Subsidized Health Services Explanation

PHYSICIAN PROFESSIONAL SERVICES MAKE UP \$1,172,824 OF COLUMN C, \$698,952 OF COLUMN D, AND \$473,872 OF COLUMN E. THE COST OF BAD DEBT REMOVED FROM THE COMMUNITY BENEFIT EXPENSE IN COLUMN C IS \$140,221. FRANCES MAHON DEACONESS HOSPITAL'S EFFORTS TO RECRUIT AND RETAIN PHYSICIANS AND OTHER PROVIDERS ARE DEPENDENT ON OUR ABILITY TO COMPETE WITH ALL OTHER COMMUNITIES THAT ARE RECRUITING SIMILAR PHYSICIANS AND PROVIDERS. BECAUSE OF OUR SMALL COMMUNITY SIZE AND REMOTE LOCATION FAR REMOVED FROM MEDICAL COMMUNITIES OF GREATER SCOPE, WE EMPLOY PHYSICIANS AND SUBSIDIZE PHYSICIAN PRACTICES TO OFFER APPROPRIATELY COMPETITIVE SALARIES AND PRACTICE ENVIRONMENTS (SPECIFICALLY, REASONABLE CALL SCHEDULES). WE BELIEVE OUR ABILITY TO OFFER CORE NECESSARY PRIMARY CARE AND EMERGENCY SERVICES IS DEPENDENT ON SUBSIDIZATION.

Part I, Line 7 - Costing Methodology Explanation

USED ADJUSTED COST TO CHARGE RATIOS FOR PATIENT CARE FROM THE MEDICARE COST REPORT, ADJUSTED FOR BED TAX AND COMMUNITY BENEFIT. BAD DEBT EXPENSE AND FINANCIAL ASSISTANCE ARE ALREADY EXCLUDED FROM THE MEDICARE COST REPORT.

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part III, Line 2 - Bad Debt Expense Methodology

THE ORGANIZATION'S PATIENT CARE COST TO CHARGE RATIO, AFTER ELIMINATING BAD DEBT, FINANCIAL ASSISTANCE, BED TAX, AND COMMUNITY BENEFIT EXPENSE, IS APPLIED TO GROSS BAD DEBT CHARGES TO ARRIVE AT THE COST OF BAD DEBT. DISCOUNTS REDUCE REVENUE AND ARE NOT RECORDED AS BAD DEBT. PAYMENTS RECEIVED ON PREVIOUSLY WRITTEN OFF ACCOUNTS ARE RECORDED AS RECOVERIES OF BAD DEBT WHICH REDUCE BAD DEBT EXPENSE. NONE OF THE BAD DEBT IS CONSIDERED ATTRIBUTABLE TO PATIENTS WHO WOULD QUALIFY FOR FINANCIAL ASSISTANCE. BAD DEBTS ARE AN INEVITABLE RESULT OF OPERATING A NON PROFIT HOSPITAL.

Part III, Line 4 - Bad Debt Expense Footnote to Financial Statements

THE BAD DEBT EXPENSE FOOTNOTE IS ON PAGE 8 OF THE AUDITED FINANCIAL STATEMENTS.

Part III, Line 8 - Medicare Explanation

THERE IS A MEDICARE SHORTFALL SINCE CRITICAL ACCESS HOSPITALS ARE REIMBURSED 101 PERCENT OF COST FROM MEDICARE, BUT THIS IS THEN REDUCED BY THE 2 PERCENT SEQUESTRATION ADJUSTMENT. THIS MEDICARE SHORTFALL IS

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

CONSIDERED A COMMUNITY BENEFIT SINCE THE HOSPITAL IS PROVIDING MEDICARE PATIENT CARE SERVICES AT LESS THAN THE COST. MEDICARE COSTS ON PART III, LINE 6 ARE DIRECTLY FROM THE MEDICARE COST REPORT. MEDICARE REVENUE ON PART III, LINE 5 IS DIRECTLY FROM THE MEDICARE COST REPORT. THE ELECTRONIC HEALTH RECORD CAPITAL COSTS AND RELATED INCENTIVE PAYMENTS ARE EXCLUDED FROM THIS CALCULATION.

Part III, Line 9b - Collection Practices Explanation

THE ORGANIZATION USES A SLIDING SCALE BASED ON FEDERAL POVERTY GUIDELINES, COMBINED WITH AN ASSET TEST AND A MEDICALLY INDIGENT TEST REGARDLESS OF INCOME, TO DETERMINE ELIGIBILITY FOR FREE OR DISCOUNTED CARE. THE ORGANIZATION DOES NOT ATTEMPT TO COLLECT CHARGES APPROVED AS FINANCIAL ASSISTANCE. FOR PATIENTS THAT HAVE HAD A PORTION OF THEIR ACCOUNT WRITTEN OFF AS FINANCIAL ASSISTANCE AND THAT LATER DEFAULT ON THE PORTION THAT WAS DETERMINED TO BE THEIR RESPONSIBILITY, AND THEREFORE IS NOT CONSIDERED FINANACIAL ASSISTANCE, THE ORGAINIZATION DOES ATTEMPT TO COLLECT THIS

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

BALANCE.

Part VI, Line 2 - Needs Assessment

PURSUANT TO THE PROVISIONS OF THE AFFORDABLE CARE ACT, FRANCES MAHON DEACONESS HOSPITAL COMPLETED A COMMUNITY NEEDS ASSESSMENT AND IMPLEMENTATION PLAN DURING FISCAL YEARS 2013 & 2016 (TAX YEARS 2012 & 2015). BOTH ASSESSMENTS ARE LOCATED ON THE ENTITY'S WEBSITE. HOWEVER, FRANCES MAHON DEACONESS HOSPITAL (FMDH) HAS TRADITIONALLY INCLUDED COMMUNITY NEEDS ASSESSMENTS IN ITS PLANNING FOR MANY YEARS AND UTILIZES MANY METHODS OF ASSESSING THE PATIENT SERVICES NEEDS FOR OUR SERVICE AREA. THESE INCLUDE BUT ARE NOT LIMITED TO: ANALYSIS OF OUTMIGRATION STATISTICS OBTAINED THROUGH ACCESS TO THE COMPDATA DATABASE PROVIDED THROUGH THE MONTANA HOSPITAL ASSOCIATION AND MODELING OF PATIENT TO POPULATION RATIOS TO IDENTIFY AND PLAN FOR THE APPROPRIATE PROVIDER MIX TO SERVE THE COMMUNITY. IN ADDITION, FMDH PARTICIPATED IN AN AREA HEALTH EDUCATION CENTER LEAD COMMUNITY HEALTH SERVICES DEVELOPMENT ASSESSMENT. IDEAS GENERATED OUT OF EACH OF THESE EFFORTS ARE THEN EVALUATED AS TO THE CAPABILITIES OF OUR ORGANIZATION TO DEVELOP IDENTIFIED SERVICES. MINIMUM

Schedule H (Form 990) 2017

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

CRITERIA FOR DEVELOPMENT OF NEW OR MODIFICATION OF EXISTING SERVICES ARE:

THE NEW OR MODIFIED SERVICE CAN REASONABLY FINANCIALLY SUPPORT ITS OPERATION; WE HAVE OR CAN ACQUIRE THE NECESSARY PERSONNEL WITH THE CREDENTIALS TO DELIVER THE SERVICE AND RETAIN ENOUGH PERSONNEL WITH THE REQUIRED SKILL SETS TO AVOID INTERRUPTION OF SERVICE DELIVERY IF SAID PERSONNEL TURN OVER; THE SERVICES CAN BE DELIVERED IN A MANNER THAT ACHIEVES APPROPRIATELY HIGH LEVELS OF PATIENT SATISFACTION.

Part VI, Line 3 - Patient Education of Eligibility for Assistance
FRANCES MAHON DEACONESS HOSPITAL EMPLOYS A FINANCIAL COUNSELOR WHO HAS THE SOLE RESPONSIBILITY TO WORK WITH PATIENTS TO NAVIGATE OUR FINANCIAL ASSISTANCE PROGRAM. ALL PATIENTS ARE SENT INFORMATION AT THE INITIAL BILLING FOR DELIVERED PATIENT SERVICES THAT DESCRIBES OUR FINANCIAL ASSISTANCE PROGRAM. OUR WEBSITE HAS INFORMATION ABOUT OUR FINANCIAL ASSISTANCE PROGRAM ALONG WITH ACCESS TO THE APPLICATION. FRANCES MAHON DEACONESS HOSPITAL ALSO EMPLOYS A STAFF MEMBER THAT IS A CERTIFIED APPLICATION COUNSELOR THAT HELPS COMMUNITY MEMBERS WITH APPLYING FOR INSURANCE AND MEDICAID ON THE MARKETPLACE.

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part VI, Line 4 - Community Information

FRANCES MAHON DEACONESS HOSPITAL IS LOCATED IN GLASGOW MONTANA WHICH IS OVER FOUR HOURS HIGHWAY TRAVEL TIME AWAY FROM ANY TERTIARY MEDICAL CENTER. WHILE OUR PRIMARY SERVICE AREA CONSISTS OF GLASGOW MONTANA AND VALLEY COUNTY, OUR FACILITY AND SPECIALTY SERVICES ALSO DRAW FROM PORTIONS OF THE SURROUNDING COUNTIES OF DANIELS, ROOSEVELT, AND PHILLIPS. THE AREA IS PRIMARILY AGRICULTURAL BASED WITH LOW POPULATION DENSITIES WHICH HOUSES A TOTAL POPULATION OF 24,113 RESIDENTS OVER 13,843.20 SQUARE MILES. THE DIFFERENT AGE GROUPS OF THE SERVICE AREA ARE AS FOLLOWS: 26.2% ARE INFANTS, CHILDREN OR ADOLESCENTS AGES 0-17; ANOTHER 57.1% ARE AGES 18 TO 64, WHILE 16.7% ARE AGES 65 AND OLDER. THE POPULATION IS MOSTLY WHITE, BUT PORTIONS OF OUR EXTENDED SERVICE AREA HAVE HIGH POPULATIONS OF NATIVE AMERICAN ANCESTRY (29.8% IN THE TOTAL SERVICE AREA) TO WHICH WE PROVIDE SERVICES. THE STATISTICS PROVIDED ABOVE ARE BASED ON THE US CENSUS BUREAU AMERICAN COMMUNITY SURVEY 5-YEAR ESTIMATES (2009-2013).

Part VI, Line 5 - Promotion of Community Health

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

FRANCES MAHON DEACONESS HOSPITAL MAINTAINS AN OPEN MEDICAL STAFF. WE ARE GOVERNED BY A VOLUNTARY BOARD OF COMMUNITY PERSONS REPRESENTING MOST OF THE INDIVIDUAL TOWNS OR GEOGRAPHICAL AREAS OF OUR PRIMARY SERVICE AREA. FOR NONELECTIVE SERVICES, WE TREAT PATIENTS WITHOUT REGARD TO ABILITY TO PAY, CONSISTENT WITH OUR ORIGINS AS A HILL BURTON FUNDED FACILITY. ALTHOUGH OUR HILL BURTON OBLIGATION WAS SATISFIED MANY YEARS AGO, WE STILL ADHERE TO THE PRINCIPLES INHERENT IN THAT OBLIGATION. SURPLUS FUNDS ARE RETAINED WITHIN THE ORGANIZATION TO ASSURE FULFILLMENT OF OUR CHARITABLE MISSION BOTH IN THE PRESENT AND IN THE FUTURE.

Part VI, Line 6 - Affiliated Health Care System

FRANCES MAHON DEACONESS HOSPITAL PROVIDES HOSPITAL INPATIENT AND OUTPATIENT SERVICES. GLASGOW CLINIC PC PROVIDES PROFESSIONAL PRIMARY CARE PHYSICIAN AND MIDLEVEL PROVIDER SERVICES. HI-LINE MEDICAL SERVICES INC PROVIDES SPECIALTY PHYSICIAN AND RETAIL PHARMACY SERVICES.

Additional Information

PART I, LINE 6A: THE FORM 990 SCHEDULE H IS CONSIDERED AN ANNUAL COMMUNITY

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

BENEFIT REPORT AND IT IS AVAILABLE TO THE PUBLIC ON OUR WEBSITE.

PART 1, LINE 7e: FMDH EXECUTED A TOBACCO CESSATION MASS MARKETING PLAN TO RAISE AWARENESS OF THE RISKS ASSOCIATED WITH TOBACCO AS WELL AS OPPORTUNITIES WITHIN OUR COMMUNITY TO QUIT.

PART I, LINE 7i: FMDH CONTRIBUTED TO THE SCHOOLS IN VALLEY COUNTY FOR THE HEALTHY SCHOOL SNACK PROGRAM.

PART V: GLASGOW CLINIC PC IS A SEPARATE ORGANIZATION THAT IS A RURAL HEALTH CLINIC AND IS WHOLLY OWNED AND OPERATED BY FRANCES MAHON DEACONESS HOSPITAL (FMDH). THEIR REVENUES AND EXPENSES ARE NOT INCLUDED ON FMDH'S FORM 990. HI-LINE MEDICAL SERVICES, INC IS A SEPARATE ORGANIZATION THAT INCLUDES SPECIALTY PHYSICIAN PRACTICES AND A RETAIL PHARMACY. FMDH WHOLLY OWNS AND MANAGES THIS ENTITY AND SUBSIDIZES THE PHYSICIAN PRACTICES AS NEEDED TO ASSURE ACCESS TO AS FULL OF A SCOPE OF SERVICES AS IS APPROPRIATE GIVEN THE NEEDS OF THE COMMUNITY WE SERVE. HI-LINE MEDICAL SERVICES' REVENUES AND EXPENSES ARE NOT INCLUDED ON FMDH'S FORM 990, EXCEPT THAT THE SUBSIDIZED

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PHYSICIAN ACTIVITY IS SHOWN ON SCHEDULE H, PART I, LINE 7G.

PART V, SECTION B, 1i: THE MOST RECENT CHNA WAS CONDUCTED IN TAX YEAR 2015 IN COMPLIANCE WITH THE 501(R) REGULATIONS THAT WERE EFFECTIVE AT THAT TIME. THE REQUIREMENT TO INCLUDE IN THE CHNA THE IMPACT OF ANY ACTIONS TAKEN TO ADDRESS THE SIGNIFICANT HEALTH NEEDS IDENTIFIED IN THE HOSPITAL'S PRIOR CHNA WAS NOT EFFECTIVE UNTIL THE FOLLOLWING YEAR, WHICH WAS TAX YEAR 2016. THEREFORE THIS WAS NOT INCLUDED IN THE CHNA CONDUCTED IN TAX YEAR 2015, BUT WILL BE INCLUDED IN THE NEXT CHNA.